

Powering **THE FUTURE**

2020 ENVIRONMENTAL, SOCIAL,
AND GOVERNANCE REPORT



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At Sunnova, we believe in providing a better energy service at a better price, achieving more by working together, and doing well by doing good as we pursue our mission to power energy independence. In our inaugural ESG report, we share stories of our progress in 2020.

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“Now, more than ever, we remain dedicated to supporting consumers with integrated energy solutions that provide greater control, are more resilient in the face of natural disasters, and serve as an environmentally conscious energy choice.”

A Letter from Our CEO, **WILLIAM J. (JOHN) BERGER**

Eight years ago when Sunnova was founded, I knew we were going to lead an energy transformation that would change the way people source and use energy. With the global energy industry on the precipice of profound change, we foresaw how the integration of ground-breaking technologies would reshape the way 21st century consumers power their lives and how we could provide distributed and decentralized energy services. Today, distributed solar and energy storage technologies have become one of the biggest game changers of our time.

Sunnova’s mission is simple: to power energy independence. We are proud to drive the global energy transformation by harnessing the latest technological innovations that will help bring about a clean energy future. We can achieve more by working together to advance the energy industry through collaboration, integrity, respect, and long-term trusted relationships. Because at the end of the day, we are only as strong as the sum of the relationships we’ve built over the years with our employees, customers, dealers, and partners.

The events of 2020 changed the world forever, and tested the strength and resilience of businesses across the globe. The uncertainty brought on by the COVID-19 pandemic and the ongoing climate crisis magnified the importance of having reliable energy during trying times. Now, more than ever, we remain dedicated to supporting consumers with integrated energy solutions that provide greater control, are more resilient in the face of natural disasters, and serve as an environmentally conscious energy choice. The pandemic also exposed social and economic inequalities and emerging human rights allegations that moved the clean energy industry to take corrective actions to ensure ethical sourcing and greater transparency in supply chains.

In our inaugural environmental, social, and governance (ESG) report, we reaffirm our commitment to serving all of our stakeholders. To ensure mission alignment, we’ve formed an internal committee of senior management that oversees Sunnova’s ESG strategy with board-level oversight through our Nominating and Corporate Governance Committee.

As we continue to make progress on our ESG strategy, we will strive for continuous improvement. This means strengthening our performance on diversity and inclusion across our organization, continuing to quantify and magnify our environmental impact, fostering partnerships in more communities across the world, and communicating our progress year after year.

With a local focus and a global vision, Sunnova aims to create a reliable energy future that will transform the world for the better. I would like to thank the team at Sunnova for their relentless focus, drive, and commitment, and our employees, customers, dealers, partners, and stockholders for powering our pursuit of ESG excellence.

We look forward to continuing this important ESG journey with you.

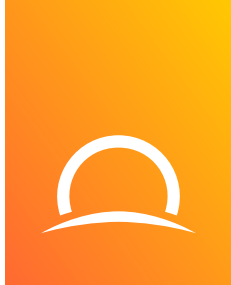
William J. (John) Berger
Chairman, President, and CEO

About SUNNOVA

OUR MISSION:

To Power Energy
Independence™





Our SERVICES

Sunnova Energy International Inc. (NYSE: NOVA) is a leading residential solar and energy storage service provider, with customers across the U.S. and its territories. Founded in Houston, Texas in 2012, we started our journey to create a better energy service at a better price.

Driven by the changing energy landscape, technology advancements, and demand for a cleaner, more sustainable future, we are proud to help pioneer the energy transition. We are redefining what it means for Houston to be the “Energy Capital of the World.” Through service and the power of partnerships, we are working to accelerate our ESG impact and to create shared value for our customers, employees, communities, partners, and investors.



Founded in 2012

107.5K
CUSTOMERS¹

792 MW
DEPLOYED²

1.7 Million
METRIC TONS
OF CO₂e AVOIDED²

2.4 Billion
KWH OF CLEAN ENERGY²

¹ As of 12/31/2020

² Based on the accumulative actual production (kWh) for systems as of 12/31/2020.

Sunnova is dedicated to supporting consumers with integrated energy solutions that provide greater consumer control, that are more resilient in the face of storms and natural disasters, and that serve as an environmentally conscious energy choice. When coupled with other significant advances in home energy management systems and adaptive demand response technologies, our integrated energy solutions provide consumers with greater control over their energy needs.



SUNNOVA HOME SOLAR:

We help our customers increase their energy independence and take control of their energy costs with clean, renewable solar energy—right from their rooftop.



SUNNOVA SUNSAFE® HOME SOLAR AND BATTERY STORAGE:

We offer customers increased energy resiliency and additional protection against potential rising electricity rates with reliable battery storage paired with their home solar system.



SUNNOVA SUNSAFE® ADD-ON BATTERY STORAGE:

For customers who already have solar, we offer add-on battery backup for increased energy resiliency—day or night, on or off the grid.



ROOF REPLACEMENT:

We help customers install a new roof at the same time as their solar system with coverage for 25 years, ensuring their solar system produces clean, renewable energy for years to come.



SUNNOVA PROTECT®:

Whether customers purchase a new Sunnova home solar system or simply need added protection for an existing home solar system, we help safeguard their investment with up to 25 years of worry-free maintenance, monitoring, repairs, replacements, and energy guarantees.



EASY PLAN™ AND EASY OWN PLAN™:

We help make going solar affordable with flexible payment options for customers to lease, own, or only pay for the power their system produces.

Our PEOPLE



Sunnova's success is powered by the diversity of our people as we work together to help change the energy industry for the better. Our team of passionate employees is what makes our positive impact possible. We strive to foster an environment where our employees can achieve their full potential while advancing our mission of powering energy independence.

"I feel that I can make a difference or a positive impact on the company every day. I also feel, with my training and experience, that I can pass that knowledge along to my co-workers and have a positive impact on their lives and careers every day."

— Sunnova employee

Our Core Values



Service

We believe in providing a better energy service. We are a technology-enabled energy services provider who delivers with quality and steadfast dedication in the communities we serve.



Synergy

We believe in achieving more by working together. We are focused on collectively advancing Sunnova and the energy industry through collaboration, integrity, respect, and long-term trusted relationships.



Sustainability

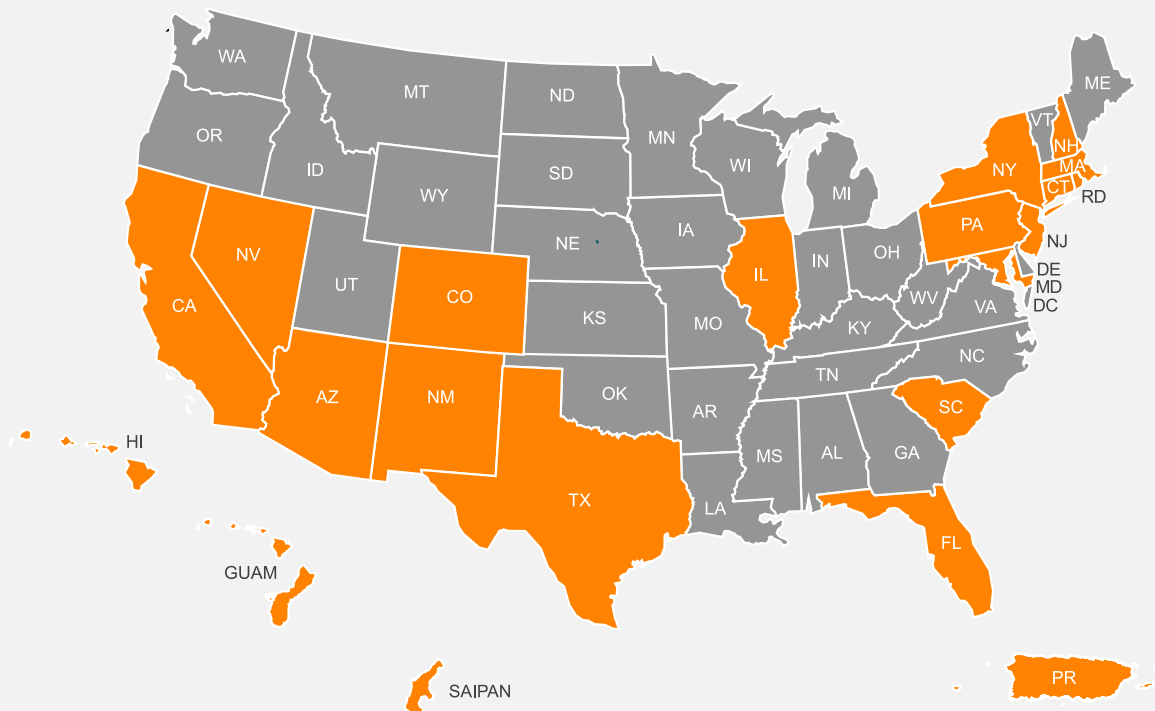
We believe in doing well by doing good. We provide the world with cleaner, renewable, and more reliable energy by focusing on responsible growth, energy resiliency, and innovation to create lasting value.

Our Customers AND DEALERS

Our growing network of 435 dealers and sub-dealers helps amplify our impact. We've helped over 107,000 customers in more than twenty-two U.S. states and territories achieve energy independence by going solar. We are committed to creating a better energy service at a better price by making the switch to solar easier with customized options, flexible financing, and 25 years of system protection through Sunnova Protect®.



Where We Operate*



22+
STATES AND
TERRITORIES

435
DEALERS AND
SUB-DEALERS

*As of 12/31/2020.

Awards and Recognition

- Happiest Employees Award from Comparably
- Best CEO Award from Comparably
- Most Admired CEO Award from Houston Business Journal
- Best Workplaces Award from ALLY by Pink Petro



Service and partnership empower our impact

Partnering with our stakeholders:



Customers:

to help them achieve energy independence in a way that drives financial, social, and environmental value for their families and the planet

Technology Partners:

to take advantage of the latest innovations that facilitate energy independence

Dealers:

to empower local solar experts who sell and/or install on behalf of Sunnova to advance the clean energy transition while fostering local entrepreneurship

Vendors:

to offer special pricing and service to our dealers, who can pass on savings to consumers and living wages to employees

New Home Builders:

to lead the way in constructing new homes and communities that are more resilient and have a low-to-zero carbon footprint

Energy Associations:

to advance the transformation in the clean energy space and beyond

Communities:

to positively impact and empower the people in our local communities

Stockholders:

to advance our shared values toward business success

Our STRATEGY

The events of recent years have revealed a true and growing need for energy independence. Facing the impacts of the climate crisis and other social and environmental challenges, homeowners across the globe are looking for ways to improve their energy resilience. It is clear that the traditional energy service model, dependent entirely upon centralized electric grids, is no longer working—we need a new energy paradigm of distributed solar and solar plus storage.

By utilizing the latest technologies in solar, storage, secondary generation, and demand control, we are working to turn our customers' homes into partially or even fully self sufficient nano-grids called the "Sunnova Adaptive Home." This means our solar plus storage customers will no longer need to completely rely on centralized power. Sunnova will, in turn, aggregate these nano-grids into the Sunnova Network, which will create value for consumers, Sunnova stockholders, and even the centralized grids, ultimately facilitating our long-term vision of becoming a global wireless power company.

At Sunnova, we believe that sustainability is the foundation of a strong business and a better tomorrow. We seek to inspire positive social change and foster a culture of integrity, performance, and ethical business practices. Beyond the impact of our core business, we focus our attention on areas where we believe we can make the biggest positive environmental impact. We are working to reduce the impact of our operations in order to reduce our carbon footprint and improve efficiency.

We understand that our people are vital to our success, and we have put programs and initiatives in place to ensure our workforce is safe, engaged, and able to continue learning and developing at Sunnova. And because a key part of our strategy is our partnerships, we invest in the relationships with our dealers, customers, vendors, and communities so that we can deliver more energy services to more customers to ultimately deliver consumer, grid, and community value.

"This past year, nationwide we have seen how climate change is impacting our daily lives. These experiences have brought home how important it is to have clean energy that is affordable and reliable. Sunnova is accelerating this opportunity by offering homeowners a solar energy system to power their homes with clean and renewable energy. Sunnova's commitment to advancing this energy transformation gives our customers the ability to take control of the energy for their home and to join us and our partners in building a more sustainable energy future."

**—Anne Slaughter Andrew,
Chair of Nominating and Corporate
Governance Committee overseeing
ESG Strategy**

Our COVID-19 RESPONSE



In early 2020 when the COVID-19 pandemic first shocked communities globally, we took immediate action. As an essential business, we committed to responsibly showing up for our employees, dealers, and customers.

Employees

To keep our employees safe, we transitioned to online meetings, conferences, and remote work for most employees. For our employees who work in the field, such as Sunnova field technicians, we prioritized safety by providing training in public health best practices, including proper social distancing, hygienic work practices, and daily health screenings. We continue to ensure that our technicians observe appropriate social distancing when interacting with customers and minimize direct interaction whenever possible.

Amid the uncertainty of the early days of the pandemic, our CEO hosted virtual town halls every few days to keep employees informed, connected, and comforted. As the pandemic settled into a new normal, we changed the cadence of these town halls to weekly, bi-weekly, and now monthly. We also began issuing quarterly newsletters and pulse surveys to keep our employees connected with the most recent COVID-19 developments.

Dealers

The pandemic has demonstrated the flexibility and resilience of the dealer model. This has allowed our dealers to focus exclusively on what is going on in the field and tailor their actions to the local situation. Meanwhile, Sunnova has been able to direct our focus on people, capital, assisting our dealers, and providing service to our customers. As we saw more and more cities across the country calling for stay-at-home orders, our dealers quickly and nimbly adjusted their processes by increasing their use of virtual tools to support both their sales and interconnection

activities. Our dealers also worked with their respective agencies having jurisdiction to utilize electronic inspections and permitting. These actions have reduced our dealers' reliance upon face-to-face meetings, allowing them to be able to continue selling our solar energy service and get new customers placed in-service. Now more than ever, the strength of the dealer model is on full display.

Customers

With people spending more time in the home, homeowners have become focused on ensuring that the energy they use to power their lives is clean, reliable, and affordable. Batteries contribute to homeowners' peace of mind knowing that if their local grid fails, they will still have the energy they need, whether for their most needed lights and appliances or, depending on their system configuration, their whole home. We have seen this focus manifest in an increased consumer appetite for our service offerings, which we are proud to say are helping power our customers' energy independence during the pandemic.

Throughout this global hardship, our flexible, technology-enabled service model has proven to be well-equipped to meet the challenges of COVID-19 head-on. As we enter the second year of the pandemic, Sunnova will continue to monitor the situation closely to ensure all of our customers, employees, dealers, and partners navigate it safely.

2020 FINANCIAL HIGHLIGHTS



Sunnova closed out 2020 with strong financial results in line with our pre-pandemic public guidance. This made 2020 the second consecutive year we met our increased guidance targets, demonstrating the forward visibility and predictability of our business model. We achieved these results because of our flexible, technology-enabled service business model and the quick response of our dealers to modify the way they do business.

We continued our rapid growth by adding approximately 29,000 customers in 2020, which is a 57% increase from the number of customers added in 2019, and our storage penetration rate on our full customer base nearly tripled to 9.2%. This exceptional growth was fueled by our dealers and sub-dealers who continue to power our differentiated, low-cost model. In fact, we nearly tripled our dealer count by selectively adding 280 dealers and sub-dealers.

Full Year Financial Results

\$59.6 Million

ADJUSTED EBITDA¹

\$55.8 Million

PRINCIPAL² AND INTEREST PAYMENTS
RECEIVED ON SOLAR LOANS

\$10.7 Million

ADJUSTED OPERATING CASH FLOW¹

\$3.0 Billion

ESTIMATED GROSS CONTRACTED CUSTOMER
VALUE AT 12/31/2020 DISCOUNTED AT 4%

¹ Adjusted EBITDA and Adjusted Operating Cash Flows are non-GAAP financial measures.

² Net of amounts recorded in revenue.

³ Sunnova defines a service as a transaction that Sunnova, or Sunnova's designee, performs in exchange for a fee from the customer and is counted for the duration of the customer relationship so long as that service is still in effect. A customer relationship is defined by the presence of at least one active agreement such as a service plan or similar offering.



107.5K
Customers

- Rate of customer acquisition increased 57% in 2020 vs 2019
- 3.7 services³ per customer



435
Dealers/Sub-dealers

- Rate of dealer acquisition increased 391% in 2020 vs 2019
- Recent strong growth driven by our dealers expanding their sub-dealer networks to meet customer demand



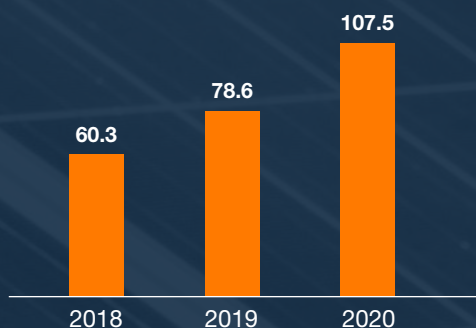
9.2% Storage
Penetration Rate

- Storage penetration rate increased from 3.3% as of 12/31/2019 to 9.2%
- 1,109 battery retrofits performed

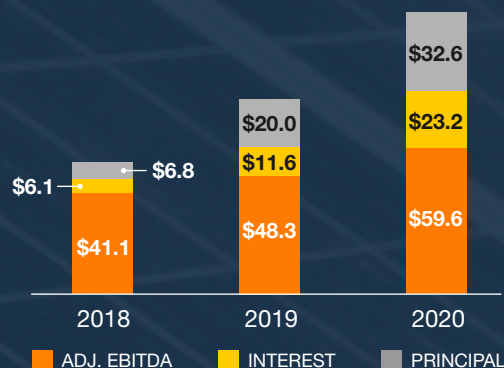
Note: [Q4 2020 Earnings Presentation](#); Numbers as of 12/31/2020

Customer Growth Driving Improvements

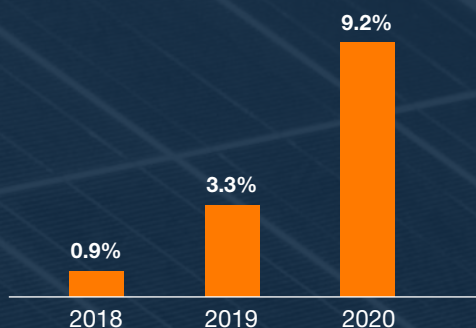
Total Customers (000s)



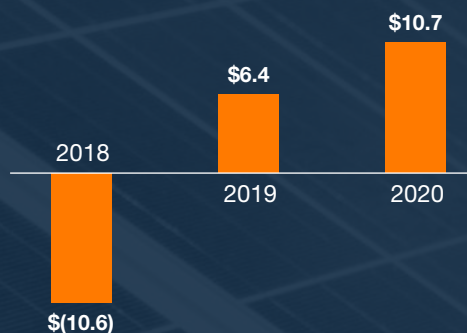
Adjusted EBITDA¹, Principal², and Interest (\$M)



Battery Penetration Rate

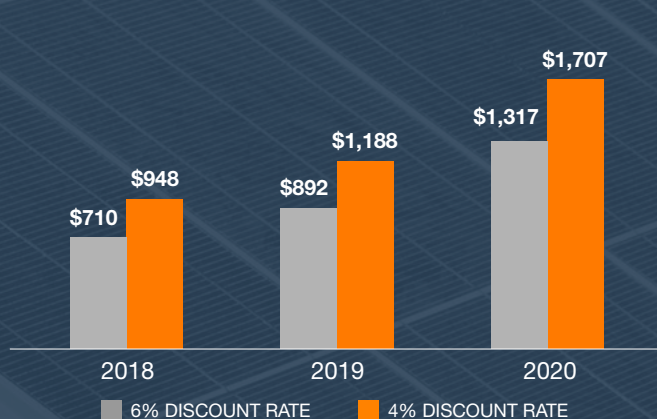


Adjusted Operating Cash Flow¹ (\$M)

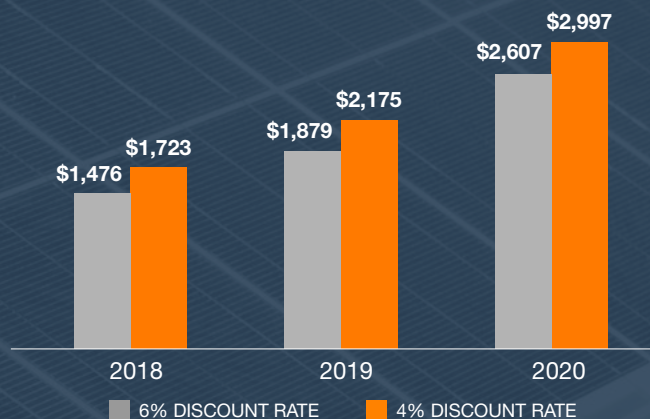


Strong Contracted Customer Value Growth

Estimated Net Contracted Customer Value (\$M)³



Estimated Gross Contracted Customer Value (\$M)³



As of 12/31/2020

¹ Adjusted EBITDA and Adjusted Operating Cash Flows are non-GAAP financial measures.

² Net of amounts recorded in revenue.

³ For definitions of NCCV and GCCV, please see slide 39 of our FY20 Q4 [earnings presentation](#).

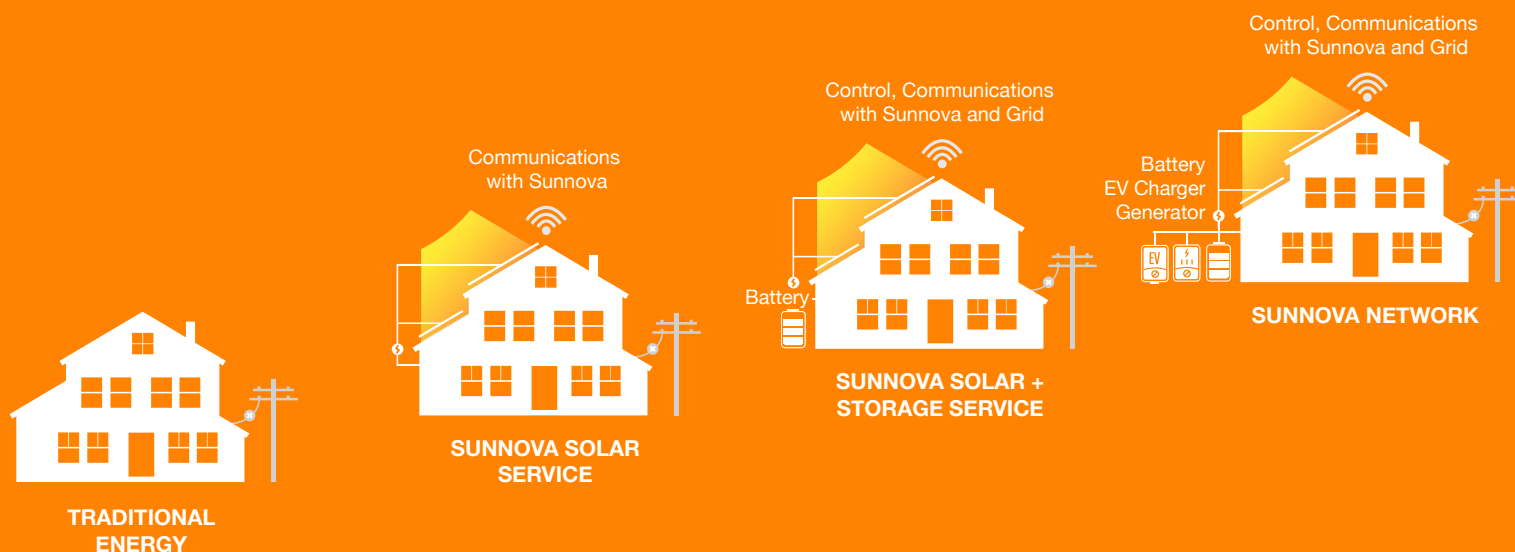
2020 INNOVATION HIGHLIGHTS

As technology continues to rapidly advance, residential solar continues to transition from a product sale to a service sale. Large scale energy service providers such as Sunnova are integrating a growing number of hardware technologies that will make the power industry—the grid—look more like the internet.

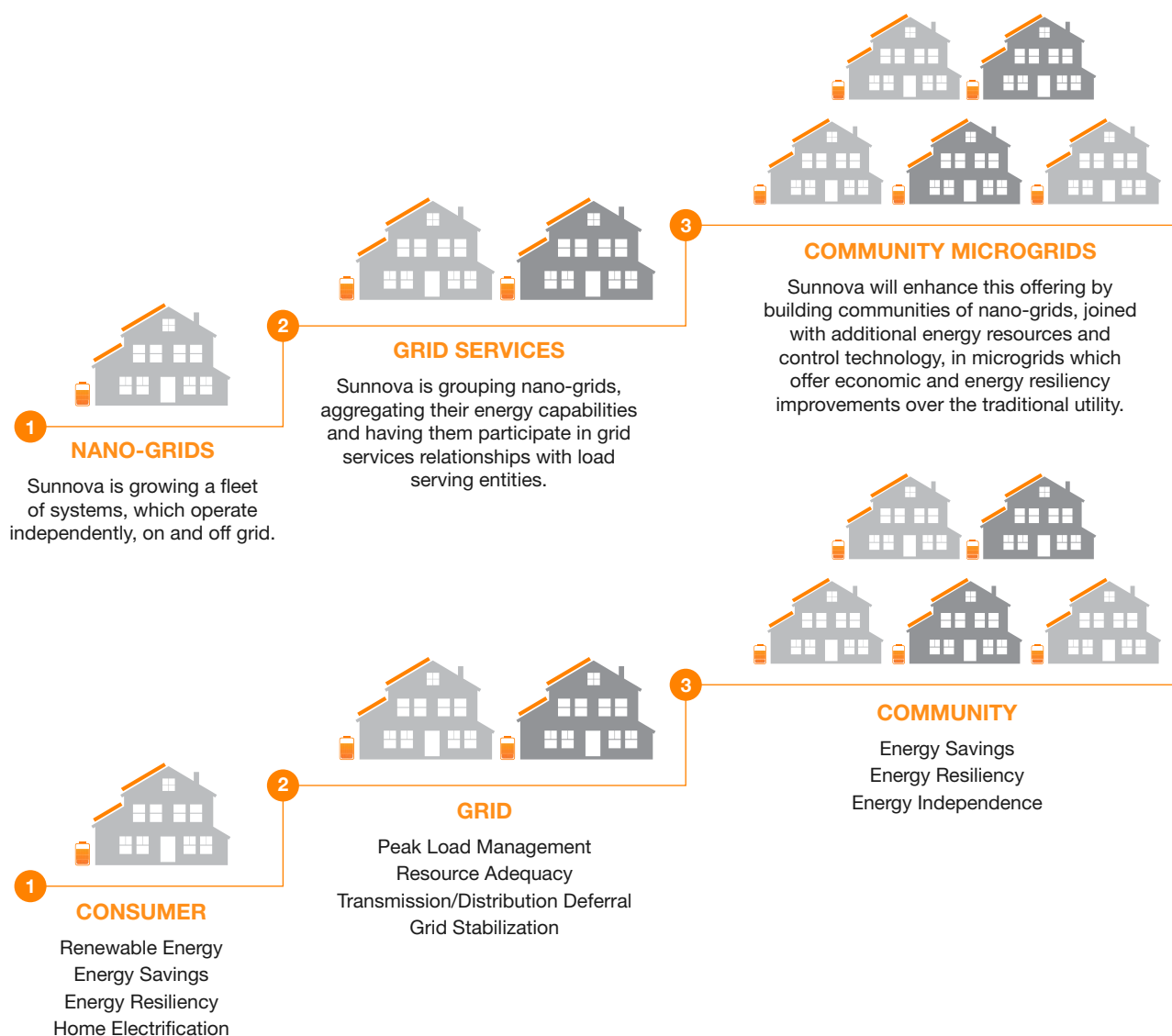
Instead of having centralized assets with command and control and no intelligence at the endpoints of the system, the power industry in the United States is heading toward a hybrid of centralized and decentralized assets that will be more durable, reliable, decarbonized, and useful to consumers. These decentralized assets can be monitored, controlled, and optimized remotely through cloud-based solutions. Sunnova is opening new growth opportunities to create and sell more energy services to our existing customers, creating further value for our customers and stockholders.

Our vision has always been that we would evolve from putting panels on a roof, to adding solar plus storage, to integrating load control and EV charging, and ultimately to creating a nano-grid system for our customers' homes. We intend to scale these nano-grids into microgrids, which can provide value to the local power network through grid services, and ultimately deliver consumer, grid, and community value. As we develop these community microgrids we will endeavor to provide even more energy savings, energy resilience, and energy independence.

Sunnova is driving energy independence through nano-grid development for the home



We are scaling our nano-grids to provide network services and microgrids...



...and delivering consumer, grid, and community value



In this inaugural ESG report, we are proud to showcase our commitment to six of the 17 **United Nations Sustainable Development Goals** (UN SDGs). As a leader in the residential solar and storage service industry, our mission, values, and business goals are well-positioned to build a sustainable future. We look forward to continuing to share our progress against the UN SDGs in the coming years.

7 AFFORDABLE AND CLEAN ENERGY

Sunnova's business is centered on a vision for a sustainable future. Our work to expand residential solar, increase access, and reduce cost through our development and government affairs efforts is aligned to achieve all three dimensions of this critical goal.

8 DECENT WORK AND ECONOMIC GROWTH

Sunnova is committed to growing, training, and retaining a workforce that will power the future. Our unique dealer model helps spur entrepreneurship and expands access to sustainable energy and purpose-led work for all communities. With our standards for employee safety, training, compensation, engagement, and development, economic growth and work opportunity are core to our business.

9 INDUSTRY, INNOVATION, AND INFRASTRUCTURE

We envision a future marked by energy independence and a rethinking of current energy infrastructure to ensure stable, dispatchable, local solutions. By enabling microgrids, our work will build a foundation for local communities to enhance energy security through residential solar and battery storage. These solutions are accessible across communities, and we seek to drive impact where it is needed most.



11 SUSTAINABLE CITIES AND COMMUNITIES

Residential solar and battery storage technologies are fundamental to the energy transition across cities and communities. By leveraging existing roof space, we can make efficient use of our cityscapes and power our dwellings with clean energy. In addition, by breaking down barriers to access for the cities and communities that have been previously left out of the energy transition, we are working to create an inclusive and just transition.

13 CLIMATE ACTION

Our business is driven by a strong sense of urgency to address the climate crisis. Residential solar and battery technologies are an important part of creating a path towards decarbonization and a clean energy future. We measure both the emissions reduced through the deployment of our service offerings and the footprint of our own operations—and will work to continuously improve both. As a business voice for political action, we ensure our government affairs work is in the best interest of climate action.

17 PARTNERSHIPS FOR THE GOALS

Sunnova's success is powered through partnerships. Our business can only succeed through the bridges we build to new communities and industry partners. We are proud of the work we have accomplished to date through our partnerships and will strive to continue to partner well to achieve sustainable development goals.



ENVIRONMENTAL

At Sunnova, our goal is to provide the world with cleaner, more affordable, and more reliable energy by focusing on responsible growth, energy resiliency, and innovation to create lasting value.

Rapid technological innovation, shifting consumer preferences for sustainable energy, and the mounting urgency to address the climate crisis shows we are witnessing a paradigm shift marked by a future with energy independence for all. Naturally, our mission complements our commitment to the environment. We understand the importance of protecting the planet for future generations and strive to reduce our environmental impact where possible. In 2020, we focused our efforts on assessing our material impacts, developing a renewed strategy for action, and continuing on our path to deep decarbonization through our energy service offerings.

Our Clean ENERGY IMPACT

Sunnova is proud to be leading the transition to an affordable and reliable clean energy future. We believe that distributed solar plus energy storage technologies can change the world for the better, and we are proud to be at the forefront of bringing these energy solutions and opportunities to homeowners across the country. Empowered by our partnerships, we are able to help our customers take control of their energy by offering a better energy service at a better price, all while making a positive impact on the environment.

“I definitely would recommend having someone to put in the solar panels and the batteries because it is good for the environment, it’s an easy installation, and it improves the value of your home as well.”

— Julie Shih,
Sunnova’s 100,000th Customer, Solar + Storage

OUR IMPACT*

107,500+

CUSTOMERS TRANSITIONED
TO RENEWABLE ENERGY

2.4 Billion

KWH OF CLEAN
ENERGY GENERATED

1.7 Million

METRIC TONS OF
CO₂e AVOIDED

*Based on the accumulative actual production (kWh) for systems as of 12/31/2020.

Clean Energy as a Carbon Solution

Over their lifetime, our solar systems will help generate nearly 24.7 billion kWh of clean energy, or the equivalent of carbon sequestered from:



¹ Calculations based on total production over the lifetime of each system.

² The Amazon's 390 billion individual trees absorb 2 billion tons of CO₂e a year. Source: <https://www.usatoday.com/story/news/nation/2019/08/28/amazon-rain-forest-what-would-earth-like-without-it/2130430001/>. Source: https://wwf.panda.org/discover/knowledge_hub/where_we_work/amazon/about_the_amazon/.

³ U.S. forest acreage and tree planting sourced by entering 24,713,725,268 KWH into the EPA Equivalencies Calculator: <https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator>

⁴ The U.S. population is 331 million as of 2020, and each tree can offset 0.00512821 metric tons of CO₂e. Sources: [https://www.worldometers.info/world-population/us-population/#:~:text=the%20United%20States%202020%20population,\(and%20dependencies\)%20by%20population](https://www.worldometers.info/world-population/us-population/#:~:text=the%20United%20States%202020%20population,(and%20dependencies)%20by%20population). Source: https://wwf.panda.org/discover/knowledge_hub/where_we_work/amazon/about_the_amazon/

Our Operational IMPACT

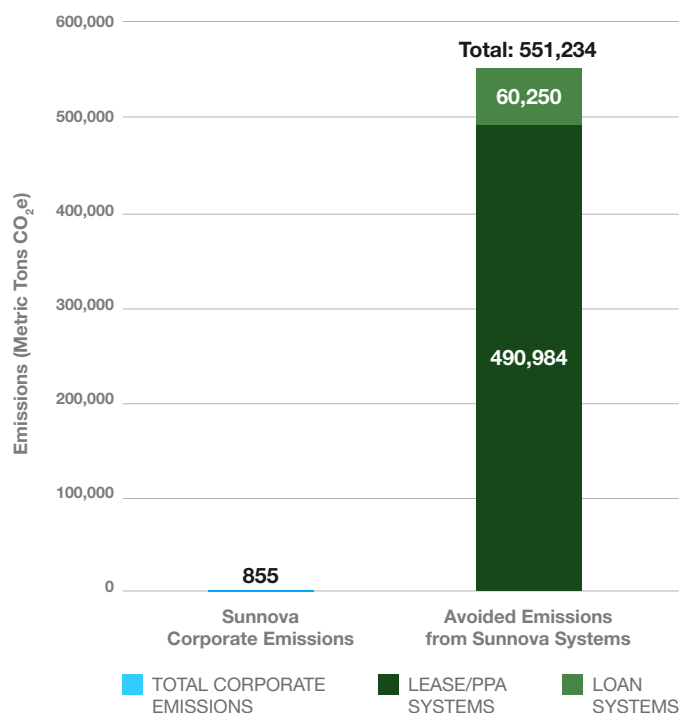
As a clean energy company, positive environmental impact is in our DNA, and so is a perpetual effort to further reduce any negative direct and indirect impacts. Sunnova adheres to a formal environmental policy approved by senior management. For more information, please see our [Formal Environmental Policy](#).

Our Climate Strategy

Sunnova recognizes the climate crisis as one of the most pressing challenges of our time, and we are committed to addressing it as part of our business purpose. In the long-term, we aim to align our business with advancing the Paris Climate Accords and the realization of a net-zero economy. We are working to improve our systems for carbon accounting which will enable us to substantiate formal claims of carbon negative and to set climate goals in the future. As part of our efforts to address the climate crisis, we are committed to:

- Measuring, monitoring, and reporting our direct emissions each year through a Scope 1 and 2 greenhouse gas inventory
- Using natural resources and energy more efficiently throughout our operations
- Purchasing and sourcing renewable energy where possible

2020 Sunnova Emissions Comparison



2020 Sunnova GHG Inventory

GHG EMISSIONS	UNIT	2020
GHG Scope 1	Metric Tons CO ₂ e	845
GHG Scope 2	Metric Tons CO ₂ e	10

GHG Scope 3: Sunnova recognizes the importance of disclosing Scope 3 emissions and will undertake a rigorous assessment to measure our Scope 3 emissions in the future.

Emission Types

SCOPE 1 EMISSIONS:

These are our direct emissions from operations, such as the diesel and gasoline used in our fleet vehicles.

SCOPE 2 EMISSIONS:

These are our indirect emissions from purchased electricity, such as electricity use in leased spaces from our Houston and Puerto Rico offices.

SCOPE 3 EMISSIONS:

These are our indirect emissions from other activities in our value chain.

Waste Reduction Policy

Sunnova continues to promote, develop, and implement waste prevention, reduction, reuse, and recycling in a systematic and responsible manner. We will partner with appropriately regulated waste management contractors to ensure safe and environmentally friendly management of both our hazardous and non-hazardous waste in accordance with best environmental practice.

Our E-Waste Policy

Sunnova is committed to disposing of our e-waste in a responsible way. We are prepared to sustainably dispose of modules, batteries, inverters, and other electronic equipment used in installations through partnerships with third-party recycling and refurbishment vendors. These vendors are compliant under the Responsible Recyclers R2:2013, OHSAS 1800:2007, and ISO 14001:2007 standards, and are expected to abide by our Code of Conduct. We will continue to work to recycle and reuse the e-waste from our operations where possible, and we continue to look for ways to improve on our disposal practices. **[Read our E-Waste Policy.](#)**

At this time, the vast majority of systems we have installed have not reached the end of their useful life. As we grow, we are committed to developing systems to track, report, and manage the flow of electronics under our care at the end of their useful life, striving for zero waste to landfill.

Fleet Vehicle Electrification

Sunnova has committed to adding electric vehicles to our service fleet. These vehicles are expected to be available by 2022 and will be an important part of our strategy for reducing our corporate emissions and setting us on a path towards net-zero.

Green Building Policy

Sunnova is committed to living out our mission of clean energy and have implemented sustainable and environmentally friendly practices at our corporate headquarters in Houston. We use, for example, motion sensors and energy efficient technologies to reduce our own impact in our buildings where possible, and we continue to consider other building efficiency initiatives as they pertain to energy, water, waste, and air quality. For future locations, we will prioritize buildings that have environmental accreditations and performance, including those with:

- Energy Star certifications
- Corporate HQ LEED Designations
- Zoning for onsite solar + battery storage
- Stormwater mitigation elements

Our greatest impact is through our products and services. In 2020, our products offset approximately 551,234 metric tons of CO₂e equivalent.



Dealer and Vendor ENVIRONMENTAL POLICY

Our Dealer Code of Conduct outlines our shared goal of ethical and environmental compliance, in addition to our expectations for minimizing our environmental impact. Where possible, we expect our dealers to consider their climate and energy impacts, as well as their efforts to reduce waste, the collection of pertinent environmental data for continuous improvement, and our shared due diligence requirements.

Vendor Environmental Policy

Our Vendor Code of Conduct outlines our expectations for our suppliers to operate in an ethical and safe manner. We expect our suppliers to mitigate their climate impacts and reduce waste in their operations and to adhere to our standards of quality requirements. Sunnova encourages our suppliers to recycle and reuse their own waste whenever possible. We will continue to search for ways to quantify and track our suppliers' environmental performance in the hopes of reducing our value chain impact.

We expect all of our partners to comply with the requirements outlined in our Vendor Code of Conduct, including stringent requirements for respecting human rights and acknowledging that their operations do not violate human rights protections, as outlined in the Code.

Conflict Minerals Statement

We recognize that solar energy and storage supply chains have risk exposures to Conflict Minerals, as defined under Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (Dodd-Frank Act). These Conflict Minerals are characterized as tin, tantalum, tungsten, and gold sourced from the "Conflict Region" of the Democratic Republic of Congo and neighboring regions. Sunnova condemns violations of human rights related to Conflict Minerals and is committed to ensuring our systems do not contain these materials. We work with our supply chain partners to verify that they provide components that do not contain these materials. We expect suppliers to provide accurate information about their products so that, if necessary, the origin of their materials can be determined with reasonable assurance that these materials are conflict-free.

[Read our Conflict Minerals Statement.](#)



SOCIAL

Sunnova was founded with the vision to become the world's first and largest wireless power company — creating social value for our stockholders, customers, and communities.

As we move towards that future, our success has been made possible due to strong partnerships. Empowering our employees, dealers, customers, vendors, and communities strengthens our business and speaks to one of our core values: synergy. These partnerships have resulted in engaged and productive employees and dealers, deep-rooted trust with our customers, and a culture of consistent improvement and innovation within our company. In 2020, we focused our efforts on critical and timely issues such as diversity, human rights, and community impact.



Partnering with OUR EMPLOYEES

Our diverse workforce enables an inclusive and innovative culture that drives our long-term growth. To this end, we focus on continuously improving engagement, safety, diversity, equity, and inclusion (DEI), professional training, and well-being.



Diversity, Equity, and Inclusion

Sunnova seeks to create an environment where everyone can be themselves—a place where they can feel valued for the skills that they bring knowing that they will be treated fairly and without discrimination. We are committed to respecting all individuals, regardless of race, gender identification, age, religion, or sexual orientation. We believe that differences must be celebrated, and that a diverse and inclusive culture is essential to innovation, a thriving workplace, a healthy society, and long-term responsible growth.

We recognize that, like all organizations, there's still more we can do to further foster a diverse and inclusive environment. We pursue continuous improvement in DEI by:

- Recruiting talent focusing primarily on the skills needed
- Providing competitive wages and benefits based on the job and skills, regardless of race, gender identification, age, religion, or sexual orientation
- Providing growth opportunities within our ever-developing organization
- Celebrating the diversity and cultures represented in our workforce and communities

Diversity Statistics*

398

EMPLOYEES
IN 2020

27%

(AVG) TURNOVER

GENDER DIVERSITY

BOARD OF DIRECTORS:



78%
MALE



22%
FEMALE

WORKFORCE:



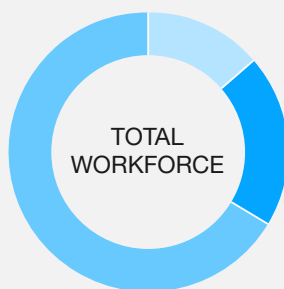
62%
MALE



38%
FEMALE

*As of 12/31/2020

AGE DIVERSITY

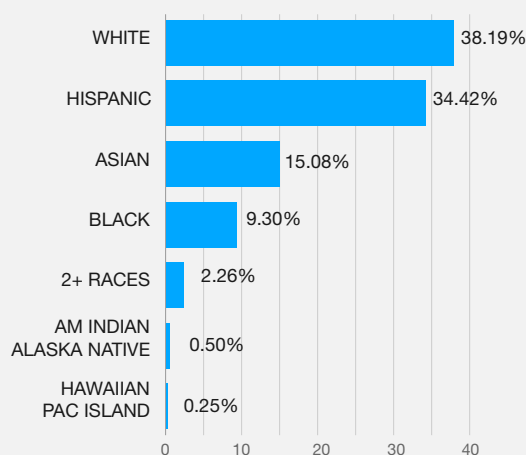


20% ■ BELOW AGE 30

67% ■ AGE 30 TO AGE 50

13% ■ ABOVE AGE 50

RACE DIVERSITY



62% of our workforce identifies as a racial or ethnic minority

Sunnova Diversity Day

On Juneteenth, we launched our inaugural Sunnova Diversity Day. Moving forward, every Sunnova employee will be given one paid day off each year to observe diversity on a day of their choosing. Diversity Day is a time to reflect on the significance of diversity and inclusion and make a personal commitment to making change for a better tomorrow.



“Diversity Day is a huge plus for our company. This day allows you the option to give back to your community or take a stand for your beliefs be it race, gender, or religion.”

—Wilbert Harris,
Customer Service Manager, Sunnova

ADDRESSING GENDER PAY EQUALITY

Sunnova is committed to gender pay equality. We intend to conduct a global gender pay gap audit and compensation review and will implement measures to close any gaps. This will include ongoing monitoring and measurement and quantitative targets and deadlines for improvement.

WOMEN’S LEADERSHIP NETWORK

As part of Sunnova’s ongoing efforts to further cultivate a culture of gender diversity and inclusion, we announced the launch of a formal Sunnova Women’s Leadership Network (WLN) at the end of 2020. The WLN was created to emphasize personal and professional development and will feature a speaker series, networking, co-mentoring opportunities, and leadership training focused on providing resources for career success at Sunnova.



“Sunnova has been very supportive in all aspects. I’m a firm believer that knowledge is power. If there is ever a leadership course or skill development class that I want to take, I’m encouraged to enroll. They allow me to try new things and sit in on some meetings that they believe will help me develop a stronger skill set and grow individually. I have a great group of mentors.”

—Elizabeth Akinkugbe,
Sr. Manager, Fulfillment Operations, Sunnova



Employee Engagement

We engage with our employees through regular town hall meetings, pulse surveys, and biannual employee engagement surveys. During our monthly town hall meetings—currently held virtually due to the ongoing pandemic—our executive team addresses topics such as key business operations, strategy, and market conditions, and answers employee questions. This helps foster an environment and corporate culture of open dialogue and collaboration.

Performance reviews are conducted at least biannually, during which employees and managers address goals and development opportunities, and discuss strengths and weaknesses. These initiatives facilitate productive conversations across our organization and a culture of open feedback.

FEEDBACK CULTURE

We always encourage our employees to look for ways to improve our operations and performance. We take employee feedback seriously and work to implement it whenever we can. To help us gauge employee attitudes about their work, the company, our progress, and more, employee engagement surveys are performed biannually and pulse surveys occur throughout the year. Survey feedback provides a basis for the development of action plans for improvement. For example, we have worked to improve visibility of company goals and performance, remained focused on cross-department collaboration, and increased the frequency of internal communication, such as town halls and company newsletters.

“Sunnova values diversity in employees regarding demographics and the different backgrounds and experiences each employee brings.”

—Jennifer Yan,
Data Analytics and Reporting Manager,
Sunnova

Employee Benefits

Sunnova provides a comprehensive total rewards package to all full-time employees, including medical, dental, vision, short and long-term disability insurance, complimentary access to the onsite fitness center, paid parental leave, and a 401(k) retirement plan with a company match feature. Our Employee Assistance Program provides free access to mental health counseling, parenting support, caregiver/elder care, legal advice, financial well-being seminars, disability services and more.



Employee Training, Leadership, and Mentoring

Sunnova can only evolve as long as our employees do. That's why we provide career training and leadership development programs. We are in the process of developing a mentorship program which will launch in 2021.

INTERNSHIPS

Sunnova offers 8-10 week internships which include projects, structured learning opportunities, and social events. Many of our interns come from local Texas colleges and universities and some transition to full-time staff.

Supporting the Clean Energy Job Transition

The future of our planet depends on significant decarbonization, and transitioning our workforce from the fossil fuel industry to clean energy is a key solution. Being headquartered in the energy capital of the world means we have the opportunity and responsibility to help accelerate such change. Many of our employees previously worked in the fossil fuel industry, but were drawn to Sunnova's goal of powering a clean and independent energy future.

In 2019, clean energy industries employed about three times more workers than fossil fuels did, and many offered better pay. Regardless of geology or geography, clean energy jobs are available in every state. As we grow, we look forward to offering more opportunities for those moving toward the clean energy sector.

Renewables are on the rise and, along with the cleantech community, they're leading a sustainable transformation of the energy sector. Our home, Houston, TX—the energy capital of the world—gives us access to a large energy-centric workforce from which to recruit displaced workers. And we're not just recruiting STEM or engineering talent—we've welcomed workers with expertise in the corporate side of energy, including accounting, finance, human resources, and legal. In 2020, we hired over 174 employees across all disciplines, and approximately 25 of those new hires were former oil and gas workers.

Creating Safe and Healthy Work Environments

We are committed to the safety of all employees, dealers, customers, and the public at large. Our objective is for all employees and dealers to be free of injury and illnesses brought about by incidents that are costly and preventable. It is our goal that every person goes home each day free from accidents and injuries. To meet this objective, we are committed to:

- Developing, implementing, and maintaining an accident, injury, and illness prevention program
- Complying with all applicable federal, state, and local government environmental, health, and safety requirements
- Providing training to our employees, so they have the awareness, knowledge, and skills to work in a safe and environmentally responsible manner
- Continuously improving our safety and health programs, policies, procedures, and training



OSHA Certified Fall Protection Training by Omega Safety Training, Inc.

Safety and Sunnova Technicians

Our technicians are on the front lines of helping our customers achieve energy independence. While these employees are distributed in communities across the country, we fly every new technician to our headquarters in Houston to complete a specialized safety training. This ensures that our technicians are prepared to face their day-to-day duties with the best safety preparedness, and also helps them feel connected to our broader team and culture.

SUNNOVA'S 2020 SAFETY STATISTICS

0

FATALITIES

1.4

TOTAL RECORDABLE
INJURY RATE

6

INCIDENTS

Partnering with OUR DEALERS

Through our differentiated dealer model, we work hand-in-hand with established, local dealers who originate, design and install our customers' solar energy and energy storage systems on our behalf. The model also enables us to leverage our dealers' specialized knowledge, connections, and experience in local markets and allows us to amplify our positive impact at the local level in communities across the country. Our dealers are an extension of our team and we count on and encourage their entrepreneurial spirit to support our growth and overall success.

“Every day, our customers welcome us onto and into their homes, and this initial relationship begins with our trusted dealers. Our dealers are carefully vetted and monitored to verify they conform with our Dealer Code of Conduct and to ensure that they share our commitment to solar expertise, high-quality customer service and ethical business practices.”

—John Santo Salvo,
Executive Vice President of Channel Operations
and Chief Procurement Officer, Sunnova

Dealer Code of Conduct

We expect our dealers to share our commitment to ethics and compliance. Our Dealer Code of Conduct outlines our expectations for how Sunnova conducts business, and serves as a resource to help ensure that dealers' actions are representative of our shared values.

The Dealer Code of Conduct includes topics such as:

- Complying with all applicable benefits, leave, wage and hourly, and other employment laws
- Ensuring a work environment free from discrimination, abuse and harassment, force or coercion, illegal employment, or inhumane treatment
- Preventing pollution and waste, conserving natural resources, reducing environmental footprint, and identifying methods to minimize packaging and shipping materials

Selling Practices, Training, and Expectations

We expect dealers to understand the potential customer's suitability for solar, including the condition, age, and physical integrity of the roof where a solar system is to be installed. No one in the dealer's organization will harass, threaten, or badger customers, or use high-pressure, abusive, deceptive, or unfair sales practices. Our dealers won't sell to customers who are not suitable under Sunnova's guidelines, or to any customer who due to language barriers, health, or other evident conditions, is unable to fully understand the terms of the contract.

Empowering Diverse Local Entrepreneurs

While we view our dealers as an extension of Sunnova, they remain independent entrepreneurs. Our dealer model provides opportunities in diverse communities to pursue the dream of starting a small business. With Sunnova's brand and backing, these individuals are well equipped to take on the challenges of entrepreneurship with confidence.

Partnering with OUR CUSTOMERS

Our success as a business starts and ends with the strong relationships we form with our customers. We work to ensure our values are reflected in every customer interaction as we guide their transition to energy independence. We lead with integrity to forge mutually beneficial long-term relationships with our customers, capable of spanning decades.

Accountability, trust, and service provide the bedrock of our business. These guiding principles are what have allowed us to grow from a tiny start-up to a significant solar service provider serving our more than 107,000 customers.

Our dedication to service is exemplified by our response in the aftermath of Hurricane Maria in Puerto Rico, home to over 15,000 Sunnova customers. With much of the energy infrastructure on the island damaged, Sunnova provided an immediate response and began repairing and replacing customers' systems. As we undertook one of the largest residential solar fleet restoration efforts in history, we did so at no cost to our customers.

Customer Service

To ensure we live up to our high standards, we have an in-house, highly trained team of customer care professionals who ensure customers' questions are answered and problems are rapidly addressed. These efforts have helped us achieve service levels that are among the best in the industry.

Consumer Protection

Accountability, trust, and service are the bedrock of our business. We have advocated for consumer protection legislation to prevent predatory sales practices in the solar business. Our Dealer Code of Conduct establishes clear policies and expectations of our dealers with respect to marketing and sales practices, and compliance designed to safeguard customer rights. We have advocated for consumer protection legislation to prevent predatory sales practices in the solar business.



Solar for All

Only ten years ago, home solar energy systems were out of reach financially for most homeowners. The initial capital costs were too high and trusted expertise in installation and service was difficult, if not impossible, to find. Sunnova was founded to address these problems by greatly reducing or eliminating the large upfront costs, making expert installation and service readily accessible, and providing homeowners long-term cost stability for the energy generated by their systems. While there is still work to be done, solar has never been more affordable,* and with a broad geographical footprint and one of the broadest suites of solar and solar plus storage offerings in the industry, we're committed to making solar available to all.

*Source <https://www.energy.gov/eere/solar/articles/2020-utility-scale-solar-goal-achieved>

"It's a win-win situation. We help reduce energy consumption and pay less for our electricity."

**—Kathleen Thomas,
Sunnova customer**

Partnering with **OUR VENDORS**

We believe acting ethically and responsibly is critical to the success of our business. Sunnova is not a manufacturer; what we do is partner with leading manufacturers across the globe. To ensure that our supply chain remains responsible, we developed a Vendor Code of Conduct to clarify our expectations in the areas of business integrity, labor practices, associate health and safety, and environmental management. This Vendor Code is intended to complement Sunnova's Code of Conduct and our other policies and standards. Sunnova also requires annual vendor certification, which involves our vendor partners reaffirming their commitment to engage in ethical sourcing, to observe and uphold human rights in the supply chain process, and to follow the Vendor Code in all transactions with Sunnova.

[View our Vendor Code of Conduct.](#)

“We can only achieve our mission to power energy independence if we conduct ourselves ethically and transparently. We condemn all human rights abuses and the use of forced labor anywhere in the world, and we stand committed to ensuring that all our vendors engage in ethical sourcing. We require transparency in our supply chain, and we work closely with our vendors to ensure they satisfy our Vendor Code of Conduct.”

—William J. (John) Berger
Chairman, President, and CEO



Partnering with OUR INDUSTRY

Sunnova actively engages policymakers at the federal, state, and local levels to advocate for issues that advance our mission to power energy independence. Sometimes we do this through direct lobbying, and other times via trade associations we sponsor.

In 2020, one of our top priorities was partnering with the Solar Energy Industry Association (SEIA) to advocate for the extension of the investment tax credit (ITC)—one of the most important federal policy mechanisms to support the growth of solar energy in the United States. SEIA has successfully advocated for multiple extensions of this critical tax credit, including the most recent delay of the credit phasedown in December 2020.

“The investment tax credit (ITC) has proven to be one of the most important federal policy mechanisms to incentivize clean energy in the United States. This federal policy has allowed businesses like Sunnova to continue driving down costs. The ITC is a clear policy success story that is helping homeowners across the country achieve energy independence.”

—Meghan Nutting,
Executive Vice President,
Policy and Communications, Sunnova

NOTABLE ALLIANCES AND AFFILIATIONS



Partnering with OUR COMMUNITIES

At Sunnova, we believe we can only be as strong as the communities in which we operate. Our dealer-focused business model means that we are uniquely positioned to positively impact and empower communities across more than 22 states and territories.

We support charitable organizations that promote education and social well-being, and we encourage our employees to contribute to organizations that are meaningful to them. We believe that our dedication to being a responsible corporate citizen has a direct and positive impact on the communities in which we operate.

Sunnova has made charitable donations to VoteSolar, WRISE, The Solar Foundation and IREC. In Houston, we have been active with a number of community efforts, including volunteering with and contributing to the Houston Area Women's Center, Child Advocates, Dress for Success, the Houston Food Bank, and other community-focused groups. We are actively working to develop an even more robust community engagement strategy to further amplify our impact in the communities we serve.

Saving Lives With Solar in Puerto Rico

In 2017, a deadly Category 5 hurricane devastated Puerto Rico. Hurricane Maria, regarded as the worst natural disaster in recorded history to affect those islands, knocked out 80% of Puerto Rico's electrical grid and sent the island into darkness. A year and a half following the hurricane, many communities in Puerto Rico still lacked access to power.

That's why in 2019, Sunnova partnered with The Solar Foundation's "Solar Saves Lives" initiative and other non-profits in Puerto Rico to power critical energy projects on the island. As part of our commitment to rebuild Puerto Rico after Hurricane Maria, Sunnova donated approximately \$200,000 worth of repurposed solar panels that provided urgently needed electricity to communities and individuals throughout the island.



GOVERNANCE

At Sunnova, we are committed to leading with integrity, fostering a culture of honesty, maximizing performance, and embracing ethical business practices.

Because ESG is a top priority, we formalized its oversight at the Board level through our Nominating and Governance Committee in October 2020. The Committee is responsible for overseeing our ESG approach, strategy, and performance, and has adopted these responsibilities as outlined in our Committee Charter. We conduct our business in a responsible manner with oversight by our Board of Directors and executive management in compliance with our ethics and compliance policies and programs.



Board of DIRECTORS

The Board of Directors provides recommendations and performs unbiased evaluation and oversight of management activities. It maintains an independent majority at all times and consists of nine members—all but one are independent. Our President and CEO, William J. (John) Berger, serves as Chairman. At Sunnova we value diversity, and over the past 18 months we are proud to have welcomed three new directors to our Board to replace those who have rolled off. In October 2019, we recruited Anne Slaughter Andrew, who is now Chair of the Nominating and Corporate Governance Committee. In October 2020, Nora Brownell, an accomplished energy executive and entrepreneur, joined the Board, and in December 2020, Akbar Mohamed, a seasoned telecommunications executive and entrepreneur, joined our board. As Sunnova continues to grow, we look forward to continuing to embrace diverse perspectives on our Board, as we do throughout our company.



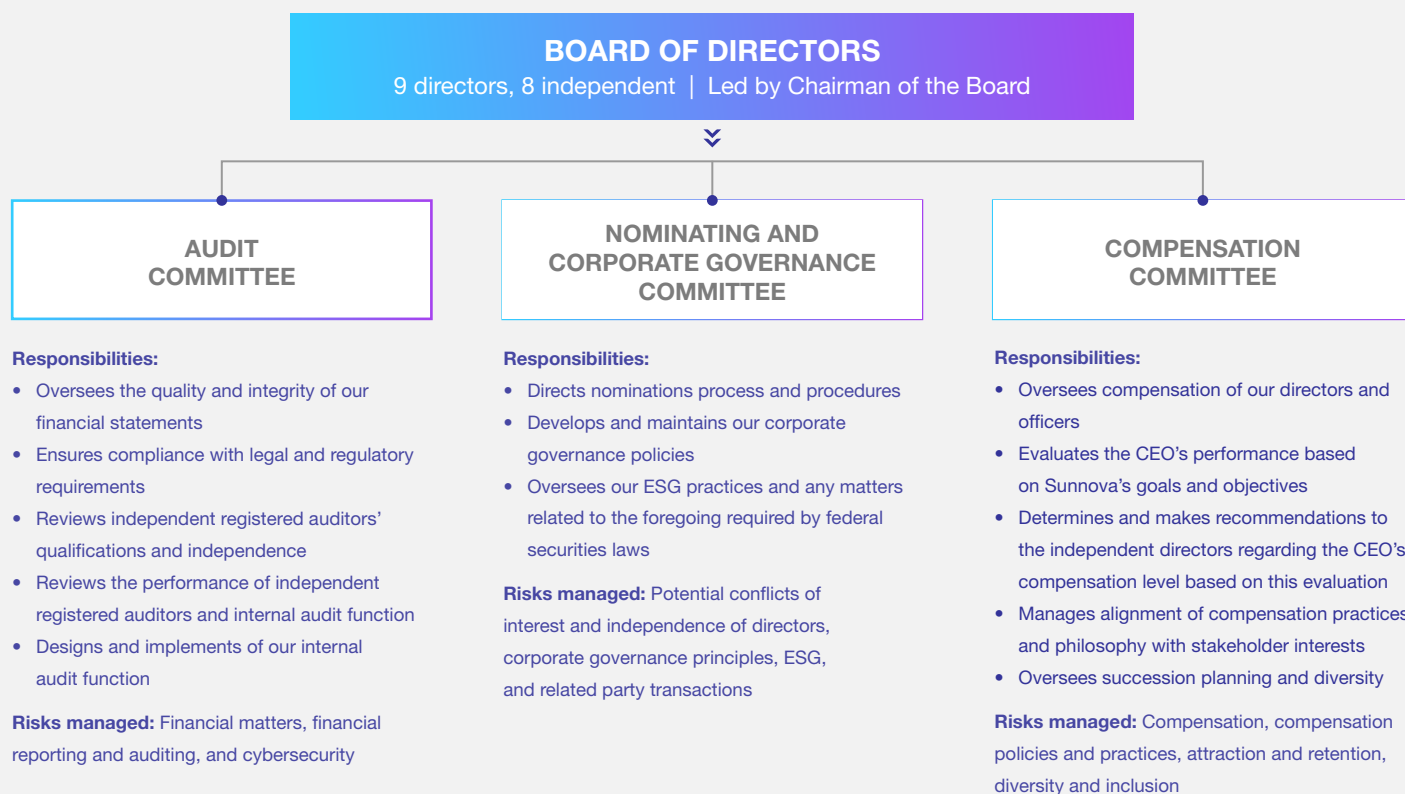
Board Member Highlight

Anne Slaughter

Andrew has a career spanning over 20 years as an energy

and environmental attorney. Having served as U.S. Ambassador to Costa Rica under President Obama, and as an accomplished social entrepreneur who has invested, advised, and advocated for clean energy and sustainable development, Anne brings a wealth of ESG knowledge and insight to Sunnova's Board.

Board Structure and Responsibilities



Code of CONDUCT AND ETHICS

Our **Code of Conduct** describes the entrepreneurial spirit on which Sunnova was built and the high standards by which we conduct business. These standards reflect our core values and drive us to achieve our mission. We expect all of our business partners, including our Dealers and Vendors, to follow the laws and regulations where they operate and to share our commitment to ethics, sustainability, environmental stewardship, health and safety, human rights, and labor issues. We conduct our business in a responsible manner with oversight by our Board of Directors and executive management in compliance with our ethics and compliance policies and programs.

All new hires are required to complete Code of Conduct training on their first day, as well as several other compliance training courses including discrimination and harassment. All employees are expected to complete the online trainings annually.

Risk Management

Sunnova's management team keeps the Board informed of the changing risks associated with our business through its Enterprise Risk Management program. The Board oversees the key risk decisions of management, which includes comprehending the appropriate balance between risk and reward. The Board reserves oversight of the major risks Sunnova faces and delegates risk oversight responsibility to the three committees. See the graphic on [page 33](#) to learn more.

Stockholder Engagement

Sunnova regularly educates and informs our stockholders through various means. We report financials quarterly delivering these updates through presentations, press releases, webcasts, and a supplemental workbook. We communicate ESG through reporting, an ESG page, and more.

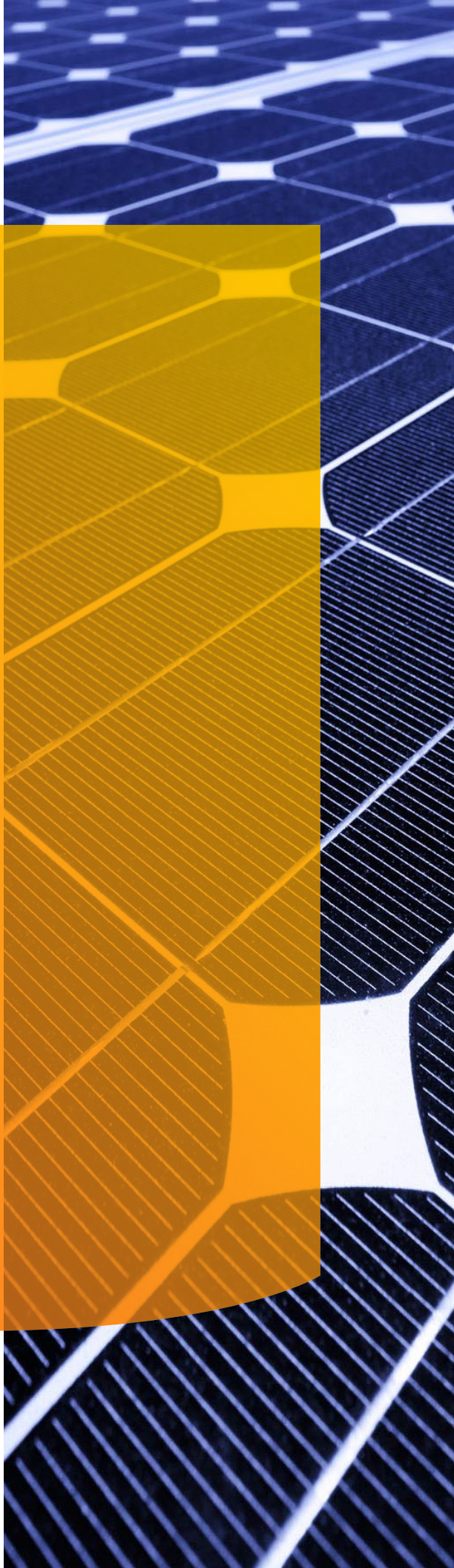
Data Security and Privacy

Sunnova is committed to complying with all applicable laws regarding the collection, protection, and dissemination of personal identification information collected from employees and customers. We limit the personal information we require employees and customers to provide to that which is necessary for us to conduct business in an effective manner. Access to personal employee information, including medical records, is strictly limited by Sunnova's policies and governmental privacy laws and regulations. To further protect privacy, employees are prohibited from accessing personal data unless authorized in advance and there is a "need to know" because of their position or responsibility. Sunnova has a responsibility to protect our customers' privacy and their confidential information, and access to this information is strictly limited to those employees who need it in order to conduct Sunnova business.

Whistleblower and Anti-Retaliation Policy

Sunnova is committed to an environment where open, honest communications are the expectation, not the exception. Our Whistleblower and Anti-Retaliation Policy prohibits Sunnova or any of our employees from retaliating or taking any adverse action against anyone for raising a concern in good faith. If an employee or other interested person prefers to place an anonymous concern in confidence, they are encouraged to use [a special hotline](#), hosted by a third party provider, EthicsPoint. Here they can submit reports relating to violations stated in our Code of Conduct, ask for guidance related to policies and procedures, and provide positive suggestions and stories.

APPENDIX



Sustainability Accounting STANDARDS BOARD



The Sustainability Accounting Standards Board (“SASB”) is an independent, private sector standards-setting organization whose mission is to help businesses around the world identify, manage, and report on the sustainability topics that SASB believes matter most to investors. Sunnova has aligned our inaugural ESG report with relevant SASB standards to ensure that we are reporting on issues most material to our business. We developed the SASB Index below using the “Solar Technology and Project Developers” and “Fuel Cells and Industrial Batteries” Standards. While Sunnova does not produce solar panels or batteries, we have disclosed relevant data where these standards align with our direct operations. We have disclosed data we currently have for certain material topics and are working to expand our disclosures in future ESG reports. In the spirit of continuous improvement, we welcome questions or comments around this data.

Solar Technology and Project Developers Standard

TOPIC	ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	CODE	DISCLOSURE
Energy Management in Manufacturing	1) Total energy consumed, 2) percentage grid electricity, 3) percentage renewable	Quantitative	Gigajoules (GJ), Percentage (%)	RR-ST-130a.1	Sunnova does not manufacture solar panels. We procure solar panels from leading manufacturers who commit to use energy responsibly and from renewable sources whenever possible. For disclosure of our enterprise energy consumption, please see our disclosure under the Fuel Cells and Industrial Batteries Standard.
Water Management in Manufacturing	1) Total water withdrawn, 2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	Quantitative	Thousand cubic meters (m³), Percentage (%)	RR-ST-140a.1	Sunnova does not manufacture solar panels. We procure solar panels from leading manufacturers who commit to use water responsibly. The only water use in our direct operations is a small amount used in office facilities. At this time, we have not identified this topic as material to our organization, but we will continue to assess its importance to stakeholders.
	Description of water management risks and discussion of strategies and practices to mitigate those risks	Discussion and Analysis	n/a	RR-ST-140a.2	As stated above, we have not identified this topic as material to our organization. Sunnova does not have significant water inputs or outputs in our operations. Our only water use comes from our office facility water use, which are minimal. Therefore, we do not believe our operations pose significant risks to water management.

TOPIC	ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	CODE	DISCLOSURE
Hazardous Waste Management	Amount of hazardous waste generated, percent recycled	Quantitative	Metric tons (t), Percentage (%)	RR-ST-150a.1	37.75, 0%
	Number and aggregate quantity of reportable spills, quantity recovered	Quantitative	Number, Kilograms (kg)	RR-ST-150a.2	0, 0
Ecological Impacts of Project Development	Number and duration of project delays related to ecological impacts	Quantitative	Number, Days	RR-ST-160a.1	0, 0 As a residential solar provider, Sunnova does not have significant impacts on ecological project development.
	Description of efforts in solar energy system project development to address community and ecological impacts	Discussion and Analysis	n/a	RR-ST-160a.2	Sunnova's operations focus on residential rooftop solar/battery installation and maintenance. This method of solar deployment has little to no risks to local ecology and biodiversity. Furthermore, we have strategies to target communities facing economic, infrastructural, and environmental challenges to ensure equitable adoption of solar technology. For more information, please reference page 18 of this report.
Management of Energy Infrastructure Integration and Related Regulations	Description of risks associated with integration of solar energy into existing energy infrastructure and discussion of efforts to manage those risks	Discussion and Analysis	n/a	RR-ST-410a.1	Sunnova mitigates challenges in solar integration through battery storage solutions, focusing on adoptions of micro-grids to enhance resilience and improve localized energy infrastructure. For more information please reference page 13 of this report.
	Description of risks and opportunities associated with energy policy and its impact on the integration of solar energy into existing energy infrastructure	Discussion and Analysis	n/a	RR-ST-410a.2	While there are limited federal policies to support the adoption of solar energy in the U.S., Sunnova continues to lobby responsibly for policy mechanisms to support proliferation for residential solar. In addition, Sunnova has made use of the significant opportunities at the state level to finance residential solar, particularly in communities facing economic, infrastructural, and environmental challenges.

TOPIC	ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	CODE	DISCLOSURE
Product End-of-life Management	Percentage of systems sold that are recyclable or reusable	Quantitative	Percentage (%)	RR-ST-410b.1	We do not have this data at this time but will seek to report on this topic in the future.
	Weight of end-of-life material recovered, percentage recycled	Quantitative	Metric tons (t), Percentage (%)	RR-ST-410b.2	We do not have this data at this time but will seek to report on this topic in the future.
	Percentage of products by revenue that contain IEC 62474 declarable substances, arsenic compounds, antimony compounds or beryllium compounds	Quantitative	Percentage (%)	RR-ST-410b.3	Sunnova does not manufacture solar panels or batteries. We do not have this data at this time but will seek to report on this topic in the future.
	Description of approach and strategies to design products for high-value recycling	Discussion and Analysis	n/a	RR-ST-401b.4	Sunnova does not manufacture solar panels or batteries. We have several strategies to limit waste and maximize the recyclability of the products we procure. Our e-waste policy governs product recyclability and we partner with leading recycling partners to ensure responsible disposal of all electronic items and the reclamation and reuse of items that can be made circular. For more information please read page 19 of this report.
Materials Sourcing	Description of approach and strategies to design products for high-value recycling	Discussion and Analysis	n/a	RR-ST-440a.1	Sunnova does not manufacture solar panels or batteries. We work with our vendors to ensure that our products meet our standards for product recyclability. To achieve the goals of our e-waste policy, we seek to purchase products that are accepted by our e-waste partners. For more information please read page 19 of this report.
	Description of management of environmental risks associated with the polysilicon supply chain	Discussion and Analysis	n/a	RR-ST-440a.2	Sunnova's supplier due diligence process includes provisions specific to the polysilicon supply chain. We monitor for environmental degradation and human rights violations and refuse to purchase from vendors who do not meet our standards for responsibility. For more information please read page 29 of this report.

ACTIVITY METRIC	CATEGORY	UNIT OF MEASURE	CODE	DISCLOSURE
Total capacity of photovoltaic (PV) solar modules produced	Quantitative	Megawatts (MW)	RR-ST-000.A	Sunnova does not produce PV solar modules.
Total capacity of completed solar energy systems	Quantitative	Megawatt Hours (MWh)	RR-ST-000.B	Sunnova's total energy production from solar assets in 2020 was, 779,638 MWh. In the future, we will work to report the MW capacity of solar assets installed in the reporting year.
Total project development assets	Quantitative	Reporting currency	RR-ST-000.C	0

Fuel Cells and Industrial Batteries Standard

TOPIC	ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	CODE	DISCLOSURE
Energy Management	1) Total energy consumed, 2) percentage grid electricity, 3) percentage renewable	Quantitative	Gigajoules (GJ), Percentage (%)	RR-FC-130a.1	1) 12,226 2) 0.7% 3) 0%
Workforce Health and Safety	1) Total recordable incident rate (TRIR) and 2) fatality rate	Quantitative	Rate	RR-FC-320a.1	1) 1.4 2) 0
	Description of efforts to assess, monitor, and reduce exposure of workforce to human health hazards	Discussion and Analysis	n/a	RR-FC-320a.2	Sunnova has safety policies and trainings for all associates that prohibit and mitigate practices identified as unsafe or hazardous. In addition, for Sunnova's dealers, we have standard operating procedures, policies, and trainings for all parties to ensure the safety of our business partners and customers. We use root cause analysis and leading risk management practices to continually improve our workplace safety policies, practices, and trainings. For more information on safety, please see page 26 of this report.


TOPIC	ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	CODE	DISCLOSURE
Product Efficiency	Average storage capacity of batteries, by product application and technology type	Quantitative	Specific energy (Wh/kg)	RR-FC-410a.1	<p>Sunnova uses four battery types: LG Chem, Generac, Enphase, and Tesla Powerwall lithium-ion battery systems. The majority of batteries in use are Tesla Powerwall lithium-ion battery systems. The specific energies for each are:</p> <p>LG Chem RESU10H: 95.8 Wh/kg Generac PWRcell M6: 89 Wh/kg Enphase Encharge 10: 21.10 Wh/kg Tesla Powerwall 2: 118 Wh/kg</p>
	Average energy efficiency of fuel cells as 1) electrical efficiency and 2) thermal efficiency, by product application and technology type	Quantitative	Percentage (%)	RR-FC-410a.2	Sunnova does not manufacture or own fuel cells.
	Average battery efficiency as coulombic efficiency, by product and by technology type	Quantitative	Percentage (%)	RR-FC-410a.3	Sunnova uses four battery types: LG Chem, Generac, Enphase, and Tesla Powerwall lithium-ion battery systems. The majority of batteries in use are Tesla Powerwall lithium-ion battery systems, which have a coulombic efficiency of 90%.
	Average operating lifetime of fuel cells, by product application and technology type	Quantitative	Hours (h)	RR-FC-410a.4	Sunnova does not manufacture or own fuel cells.
	Average operating lifetime of batteries, by product application and technology type	Quantitative	Number of cycles	RR-FC-410a.5	All batteries are warranted by the manufacturers for at least 10 years subject to temperature and cycle specifications.

TOPIC	ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	CODE	DISCLOSURE
Product End-of-life Management	Percentage of products sold that are recyclable or reusable	Quantitative	Percentage (%) by weight	RR-FC-410b.1	Please see our disclosure for this topic under the “Solar Technology and Project Developers” Standard.
	Weight of end-of-life material recovered, percentage recycled	Quantitative	Metric tons (t), Percentage (%)	RR-FC-410b.2	Please see our disclosure for this topic under the “Solar Technology and Project Developers” Standard.
	Description of the management of risks associated with the use of critical materials	Discussion and Analysis	n/a	RR-FC-44a.1	Please see our disclosure for this topic under the “Solar Technology and Project Developers” Standard.
Materials Sourcing	Description of the management of risks associated with the use of critical materials	Discussion and Analysis	n/a	RR-FC-440a.1	Please see our disclosure for this topic under the “Solar Technology and Project Developers” Standard.

ACTIVITY METRIC	CATEGORY	UNIT OF MEASURE	CODE	DISCLOSURE
Number of units sold	Quantitative	Number	RR-FC-000.A	11,455
Total storage capacity of batteries sold	Quantitative	Megawatt Hours (MWh)	RR-FC-000.B	Sunnova’s total energy storage from battery assets in 2020 was 177 MWh. In the future, we will work to report MW capacity of battery assets installed in the reporting year.
Total energy production capacity of fuel cells sold	Quantitative	Megawatts (MW)	RR-ST-000.C	Sunnova does not manufacture or own fuel cells.

Stakeholder ENGAGEMENT

At Sunnova, one of our core values is synergy. We believe in achieving more by working together. We seek to engage our stakeholders frequently to inform our ESG strategy and to ensure we are working together on shared goals. Here is a summary of our stakeholders and the ways in which we engage them.

STAKEHOLDER GROUP	ENGAGEMENT
 Employees	We engage our employees through our annual employee engagement surveys, town halls, internal communications systems, manager relationship, employee training, and annual performance reviews.
 Communities	We engage the communities in which we operate by partnering with local organizations on issues that speak to the heart of our corporate mission, including economic development, equitable energy access, and community resilience.
 Customers	We engage our customers through our customer support services, customer portal, and email communications to ensure they have timely responses to all inquiries and can provide feedback.
 Vendors	We engage our vendors through our supply chain management team and partner with them on topics such as human rights and environmental sustainability to ensure that our systems meet high standards for responsibility.
 Dealers	We engage our dealers frequently through our dealer portal, dealer resources hub, and training to ensure they have what they need to be successful in their work.
 Stockholders	We engage our stockholders by providing quarterly resources, conducting annual stockholder meetings, and ongoing stockholder communications.
 Regulators	We seek to frequently engage regulators—through our government affairs practices and in partnership with trade groups. We seek to be transparent in our engagement with regulators and advocate for policies that remove barriers to adoption of renewable energy in the U.S.